

**UNOFFICIAL TRANSLATION**

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.

February 28, 2024

Company Name: JAPAN POST BANK Co., Ltd.

Representative: IKEDA Norito, Director, President and Representative Executive Officer

(Securities Code: 7182, Tokyo Stock Exchange Prime Market)

**Notice Concerning Approval Application for the Holding of Subsidiaries**

JAPAN POST BANK, Co., Ltd. (“the Bank”) hereby announces that it has today filed an approval application for the holding of subsidiaries with the Commissioner of the Financial Services Agency and the Minister of Internal Affairs and Communications pursuant to the provisions of Article 111, Paragraph 1 of the Postal Service Privatization Act (Act No. 97 of 2005).

[Subsidiaries for which approval was applied] \* See the attachment for details

1. A subsidiary engaged in forming, operating, and managing investment limited liability partnerships and companies involved in other investment businesses; investing and managing the assets of investment limited liability partnerships and companies involved in other investment businesses; and businesses pursuant to Article 10, Paragraph 2 of the Banking Act.
2. A subsidiary engaged in investments in stocks and corporate bonds; for the formation, operation, and management of investment limited liability partnerships intended for the purpose of these investments; and consulting services for investee companies.

The impact of these matters on the Bank’s business performance is expected to be insignificant, but if there is a need to revise the business forecast or a matter to be announced in the future, these will be promptly disclosed.

Through this subsidiary, the Bank would like to promote new corporate banking business that will contribute to the revitalization of regional economy. The Bank wishes to obtain regulatory approval at the earliest opportunity by gaining the understanding of related parties.

END

## Overview of the Application for Approval

### 1. Subsidiaries for which approval was applied

The following subsidiaries, included among those financial institutions eligible for subsidiary status pursuant to Article 111, Paragraph 9 of the Postal Service Privatization Act (hereinafter, the “PSP Act”).

- (1) A subsidiary engaged in forming, operating, and managing investment limited liability partnerships and companies involved in other investment businesses; investing and managing the assets of investment limited liability partnerships and companies involved in other investment businesses; and businesses pursuant to Article 10, Paragraph 2 of the Banking Act (included among the financial institutions eligible for subsidiary status pursuant to Article 111, Paragraph 9 of the PSP Act, a company that exclusively operates financial-related businesses (Article 16-2, Paragraph 1, Item 11-2 of the Banking Act and Article 17-3, Paragraph 2, Items 3 (excluding businesses that have not been approved under Article 110, Paragraph 1 of the PSP Act (excluding businesses operated by the Bank under the Implementation Plan for Succession of JAPAN POST Businesses, etc.), and businesses incidental to the relevant business), 4 and 15 of the Ordinance for Enforcement of the Banking Act)).
- (2) A subsidiary engaged in investments in stocks and corporate bonds; for the formation, operation, and management of investment limited liability partnerships intended for the purpose of these investments; and consulting services for investee companies (included among the financial institutions eligible for subsidiary status pursuant to Article 111, Paragraph 9 of the PSP Act, a company that exclusively operates financial-related businesses (Article 16-2, Paragraph 1, Items 11-2 and 12 of the Banking Act, and Article 17-2, Paragraph 14 and Article 17-3, Paragraph 2, Item 12 of the Ordinance for Enforcement of the Banking Act (excluding businesses listed in Item 12-1))).

### 2. Rationale

The vision for which the Bank aims is to serve as a bank that effectively leverages its nationwide network, the vast deposits entrusted to it by its depositors, its large number of accounts, and other unique management resources of the Bank in order to support the growth of customers throughout Japan from a medium-term perspective while collaborating with local financial institutions and others as part of a “Co-creation Platform”.

In order to achieve this vision, through investment the Bank will promote the creation of new corporate banking businesses that contribute to the revitalization of regional economy (hereinafter referred to as “the  $\Sigma$  Business”). This will coincide with the Bank’s traditional Retail Banking Business and Market Business.

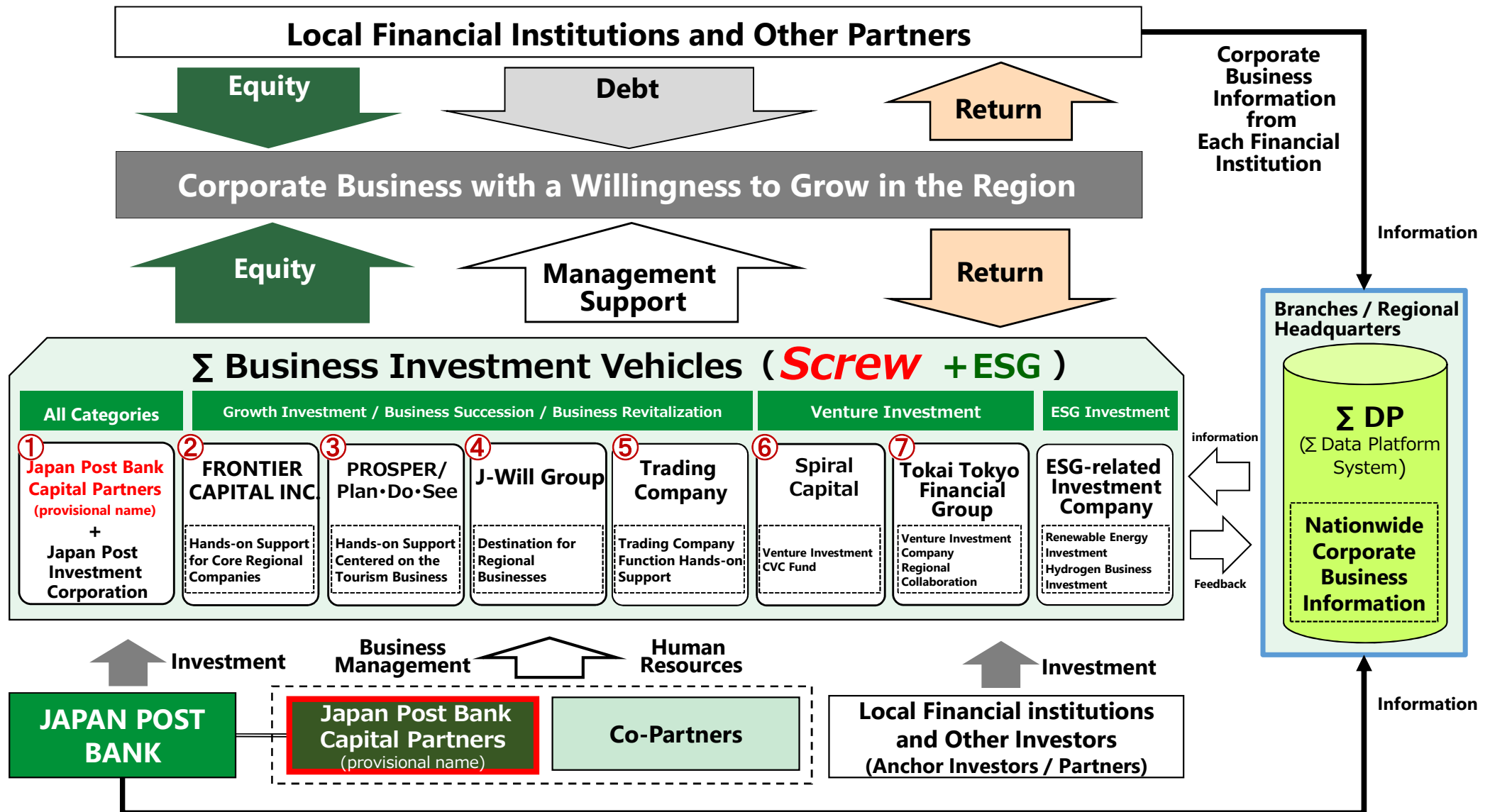
Targeting corporate business with a willingness to grow in the region, the  $\Sigma$  Business will provide equity financing as its basic policy, for which demand is expected to increase in the future.

Among the various initiatives promoted by the Bank since 2016, the Bank will therefore continue to advance LP investments. In order to address the various needs of customers and those in each region further, however, the Bank intends to fully ramp up the investments (GP (General Partner) Business) that can be managed under the Bank's policies. Moreover, the Bank will promote new corporate banking businesses, including the deal sourcing business (finding investee companies) and regional revitalization businesses (marketing support business for investee companies), through these investments.

In order to promote these efforts, the Bank will need to establish subsidiaries that perform investment management services because the Bank itself is prohibited from directly engaging in the GP Business (Article 33, Paragraph 1 of the Financial Instruments and Exchange Act). Although the Bank initially intended to promote this business under the leadership of Japan Post Investment Corporation as its existing subsidiary, it ultimately decided to establish a new fully-owned subsidiary, which will take the lead in advancing investments with co-partners, in order to promote investments tailored to the goals of the  $\Sigma$  Business more extensively, namely regional economic revitalization. Specifically, the Bank will establish "Japan Post Bank Capital Partners (JPCP) Co., Ltd. (provisional name)" as the Bank's fully-owned specialized investment subsidiary to take the lead in providing momentum to the GP Business, and "Japan Post Bank Sigma Regional Revitalization, LLC (provisional name)", as JPCP's fully-owned subsidiary, which is assumed to serve as an exclusive investment company to which the exemption for voting rights pursuant to the revised Banking Act apply. The Bank's intention to establish fully-owned subsidiaries is to enable the supply of equity financing in a flexible manner that matches the funding needs of region.

# Reference 1: Σ Business Overview

- Establishment of investment vehicles for “7 Screws + ESG” in an effort to ramp up the fund management business, “GP (General Partner) business”, is consistent with the purpose of Japan Post Bank.
- As the newly established subsidiary, Japan Post Bank Capital Partners Co.,Ltd. (provisional name) will be the core of the new GP business, which will be promoted in collaboration with other partners.



# Reference 2: Scheme

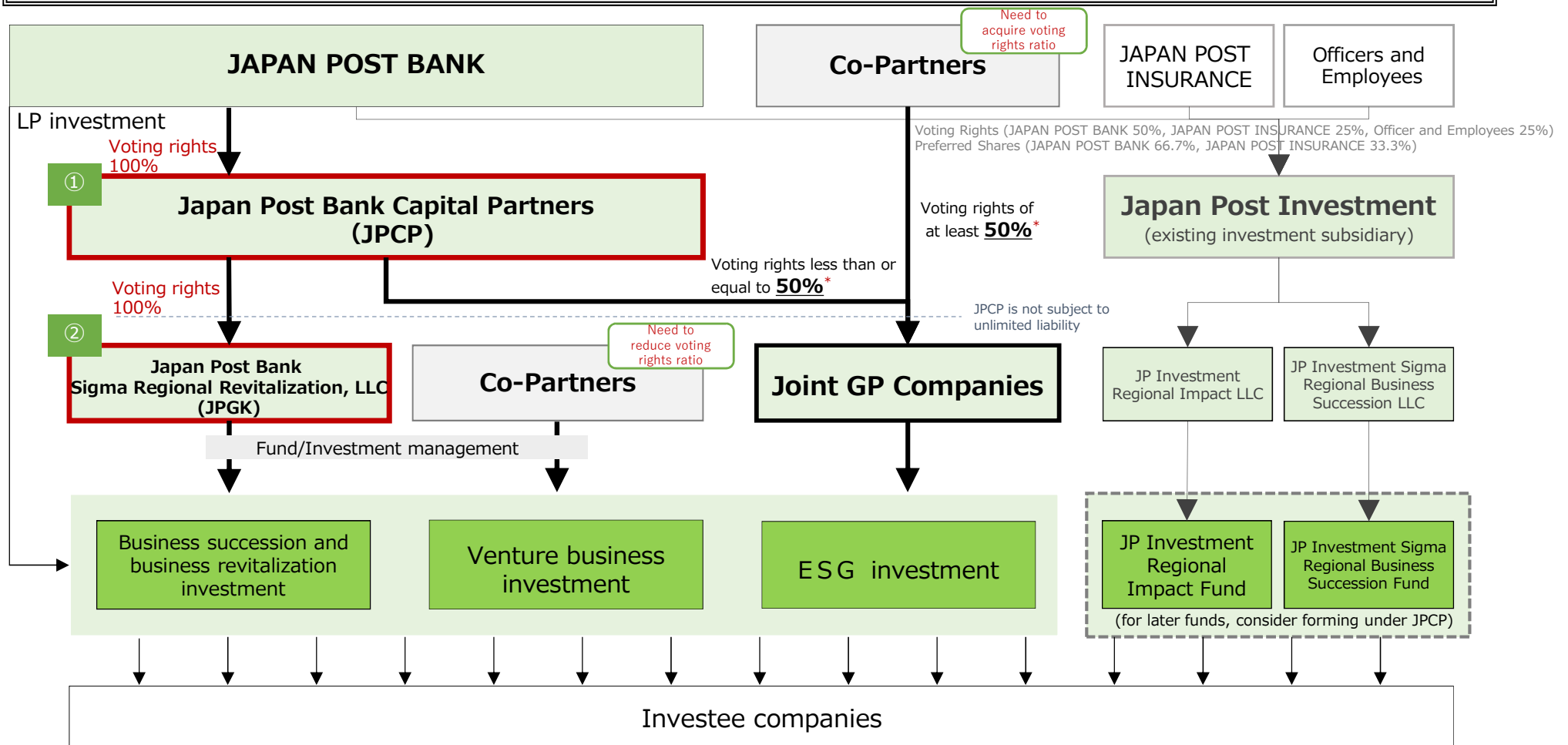
■ The 2 subsidiaries for which approval was applied are as follows:

[1] JPCP: Japan Post Bank Capital Partners Co.,Ltd (provisional name), as a fully-owned subsidiary of JAPAN POST BANK.

[2] JPGK: Japan Post Bank Sigma Regional Revitalization LLC (provisional name) as a fully-owned subsidiary of JPCP and as a specialized investment subsidiary of JAPAN POST BANK

Note: The rationale for establishing JPGK as a subsidiary is to address potential scenarios where the Bank is subject to equity restrictions under the Banking Act, to provide flexibility of co-management structures by allowing adjustments to the voting rights of co-partners depending on the requirements for increased or reduced voting rights.

■ Assumption is that the exemption regarding voting rights under the revised Banking Act will apply to business succession, business revitalization, and venture business investments.



\* In the event the establishment of joint GP companies with co-partners results in over 50% voting rights held by JPCP, the approval will be requested separately in each case.

# Reference 3: Overview of subsidiaries for which approval was applied

Company name	JAPAN POST BANK CAPITAL PARTNERS Co., Ltd. (provisional name)
Representative	(to-be-determined)
Officer composition	7 directors and 3 auditors (to-be-determined)
Number of employees	About 7 (to-be-determined)
Head office address	2-3-1 Otemachi Chiyoda-ku, Tokyo (scheduled)
Contribution	¥2 billion (of which ¥1 billion is capital) (scheduled)
Shareholders	JAPAN POST BANK Co., Ltd., 100%
Primary business activities	<ol style="list-style-type: none"> <li>(1) Acquisition, holding, and disposal of securities</li> <li>(2) Formation, management, and operation of investment limited liability partnerships and corporations, partnerships, and other organizations that perform investment services, as well as investment and management of the assets of these corporations, partnerships, and other organizations</li> <li>(3) Solicitation and sale of equity interests and partnership interests in investment limited liability partnerships and corporations, partnerships, and other organizations that perform investment services</li> <li>(4) Mediation of corporate mergers, spinoffs, and business transfers, as well as of capital, business, technology, sales, and manufacturing, etc., partnerships</li> <li>(5) Consulting regarding funding procurement, financial matters, and general management</li> <li>(6) Business matching services</li> <li>(7) Business incubation services</li> <li>(8) Planning, organization, and management of seminars and training</li> <li>(9) Consignment of investment business accounting duties and auditing services</li> <li>(10) All operations incidental or related to the above items</li> </ol>

Company name	<p>JAPAN POST Sigma Regional Revitalization LLC (provisional name)</p> <p>* Established as a limited liability company in order to apply the exemption regarding voting rights under the revised Banking Act, and from the perspective of efficient company management.</p>
Employees (investors and officers)	JAPAN POST BANK CAPITAL PARTNERS Co., Ltd.
Head office address	2-3-1 Otemachi, Chiyoda-ku, Tokyo (scheduled)
Contribution	¥10 million (scheduled)
Primary business activities	<ol style="list-style-type: none"> <li>(1) Acquisition of stock issued by other publicly traded companies for the purpose of acquiring dividends and gains on sales associated with holdings</li> <li>(2) Acquisition of share acquisition rights issued by other publicly traded companies</li> <li>(3) Acquisition of corporate bonds issued by other publicly traded companies (excluding short-term corporate bonds pursuant to Article 66, Paragraph 1 of the Act on Book-Entry Transfer of Company Bonds, Shares, etc.)</li> <li>(4) Formation of partnership agreements pursuant to Article 667, Paragraph 1 of the Civil Code, as well as formation of investment limited liability partnership agreements pursuant to Article 3, Paragraph 1 of the Act on Investment Limited Partnership Agreements, for the purpose of engaging in any of the acts listed above</li> <li>(5) Provision of consultation regarding management by businesses, etc., involved in publicly traded companies that receive, or are expected to receive, funding through the businesses stipulated in the previous items; introduction of businesses and customers associated with the services of the relevant businesses; and provision of the necessary information and advice</li> <li>(6) Operation and management of investment limited liability partnerships</li> <li>(7) All operations incidental or related to the above items</li> </ol>